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Sun Microsystems, Inc.

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

## NETWORK APPLIANCE, INC.,

CASE NO. 3:07-CV-06053 EDL

Plaintiff – Counterclaim  
Defendant,

1

SUN MICROSYSTEMS, INC.,

**SUN MICROSYSTEMS, INC.'S NOTICE OF  
MOTION AND MOTION FOR PARTIAL  
STAY OF THE CASE PENDING  
REEXAMINATION OF UNITED STATES  
PATENT NOS. 5,819,292, 6,857,001 AND  
6,892,211**

Defendant -  
Counterclaimant.

**Date: TBD**  
**Time: TBD**  
**Courtroom: E, 15th Floor**  
**Hon. Elizabeth D. Laporte**

Defendant Sun Microsystems, Inc. (“Sun”) respectfully moves to stay this case, but only with respect to the claims and defenses regarding Plaintiff’s United States Patent Nos. 5,819,292 (“the ‘292 patent”), 6,857,001 (“the ‘001 patent”) and 6,892,211 (“the ‘211 patent”) (collectively, the “Reexam Patents”), pending completion of the United States Patent and Trademark Office’s (“PTO”) reexamination of these three patents.

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**NOTICE OF MOTION****TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:**

NOTICE IS HEREBY GIVEN that on May 6, 2008 at 9:00 a.m., or as soon thereafter as counsel may be heard by the above-titled court, located at 450 Golden Gate Avenue, San Francisco, California 94102, Sun Microsystems, Inc. will and hereby does move the Court for an order staying the case with respect to United States Patent Nos. 5,819,292, 6,857,001 and 6,892,211, pending completion of the PTO's reexamination of these three patents.

This motion is based on this Notice of Motion, the Memorandum of Points and Authorities, the Declaration of Christine Corbett filed herewith, the pleadings and papers on file herein and any evidence and argument presented to the Court at the time of the hearing.

**STATEMENT OF RELIEF**

Sun seeks an order from the Court staying this case with respect to United States Patent Nos. 5,819,292, 6,857,001 and 6,892,211 pending completion of the PTO's reexamination of these three patents.

**MEMORANDUM OF POINTS AND AUTHORITIES****I. INTRODUCTION**

The PTO recently placed three of Network Appliance, Inc.'s ("NetApp") seven patents-in-suit into reexamination. None of the three Reexam Patents likely will survive reexamination. Indeed, the PTO already issued an Office Action rejecting all 63 claims of one Reexam Patent – finding that ten separate pieces of prior art *each* invalidate the patent.

Staying the litigation as to the three Reexam Patents will avoid the need for the Court to make rulings concerning invalid patents that are unlikely to survive reexamination, either in their current or in a modified form. Even if some of the individual claims were to survive reexamination, which is unlikely, it is highly probable the surviving claims would be substantially narrowed by the PTO during reexamination. Thus, any interim rulings by the Court on the current claims likely would be rendered moot.

The Court and the parties already have noted the practical need to streamline this patent-crowded case where appropriate. Staying this case as to the Reexam Patents is a logical place to

1 start. Doing so will assist in streamlining the case and will considerably reduce the amount of  
2 time, resources and money that otherwise would need to be spent by the Court and the parties.  
3 The following circumstances make a stay particularly appropriate for this particular case at this  
4 particular time.

5 First, Sun's stay request comes at an early stage of the case (and within days of the PTO's  
6 placing the Reexam Patents into reexamination). Specifically:

- 7 • No trial date has been set;
- 8 • No documents have been produced (other than those required to be  
9 produced pursuant to the patent local rules);
- 10 • No depositions have been scheduled or taken;
- 11 • No expert witnesses have been disclosed by NetApp;
- 12 • The parties exchanged their proposed lists of claim terms to be construed  
13 last week, but the parties have not yet met and conferred regarding those  
14 lists, and no claim construction discovery or briefing has occurred; and
- 15 • The *Markman* hearing is not scheduled for another four months.

16 Second, a stay will simplify the issues regarding three patents at issue. Specifically:

- 17 • The PTO granted *inter partes* reexamination as to all 63 claims of the '001  
18 patent and issued a first office action rejecting all 63 claims of the '001  
19 patent as anticipated under 35 U.S.C. § 102 based upon *each* of ten  
20 separate prior art references;
- 21 • The PTO granted *inter partes* reexamination as to all claims of the '211  
22 patent based on thirteen prior art references;
- 23 • The PTO granted *ex parte* reexamination as to independent claims 1 and 4  
24 of the '292 patent based on six prior art references; and
- 25 • Sun recently filed a second *ex parte* request for reexamination as to claims  
26 4, 8, 11-15 and 20 of the '292 patent based upon additional references  
27 identified during this litigation – Sun expects reexamination will be

ordered on these claims as well and that these claims also will be rejected by the PTO.

3       Based on these facts – and the compelling statistics that nearly *ninety-one percent (91%)*  
4       of claims that undergo *inter partes* reexamination, and nearly *seventy-one percent (71%)* of  
5       claims that undergo *ex parte* reexamination, ultimately are rejected or modified – a stay as to the  
6       Reexam Patents undeniably would simplify the issues and avoid unnecessary rulings in this case.  
7       For example, it would be highly inefficient to brief and hear the *Markman* issues on the Reexam  
8       Patents, or to conduct a trial on those patents, as those claims likely will be either rejected or  
9       modified. Moreover, statements made by NetApp and the Examiner during the reexaminations  
10      would aid the Court in correctly interpreting the scope of any claims that do survive  
11      reexamination.

12        Further, a stay will not prejudice NetApp. Rather, litigating this action in parallel with the  
13 PTO's reexamination of the Reexam Patents will prejudice all the parties and the Court. The  
14 parties and the Court will be forced to spend significant time and resources litigating the claims of  
15 three patents that may be rejected or significantly narrowed during reexamination. Not only  
16 would such an exercise waste the time and money of the Court and the parties, but the Court  
17 would be required to spend significant time construing claim terms and ultimately resolving  
18 infringement and invalidity issues concerning claims that may no longer exist. Therefore, Sun  
19 respectfully requests that the Court grant Sun's request to stay this litigation, as to each of the  
20 Reexam Patents, until the PTO either issues a final office action in the reexamination (rejecting  
21 the claims), or issues a reexamination certificate (issuing modified claims or confirming the  
22 existing claims).

## II. PROCEDURAL HISTORY

#### **A. This Case Is Still In Its Early Stages.**

25 NetApp filed this suit on September 5, 2007, in the Eastern District of Texas, accusing  
26 Sun of infringing seven patents, including the three Reexam Patents. On November 30, 2007, the  
27 case was transferred to the Northern District of California. The Court held the initial Case  
28 Management Conference on January 28, 2008. At the initial Case Management Conference, the

1 Court set the *Markman* hearing date for August 27, 2008, and October 13, 2008, as the close of  
 2 fact discovery. No further dates, including a trial date, were set by the Court.

3 The parties each have served their preliminary infringement and invalidity contentions  
 4 pursuant to the Patent Local Rules. The parties also each have served requests for production of  
 5 documents and interrogatories. The parties have not, however, produced any documents  
 6 responsive to these document requests (other than the subset of documents required to be  
 7 produced pursuant to the Patent Local Rules). No depositions have been scheduled or taken.  
 8 NetApp has not disclosed any expert witnesses. Last week, the parties exchanged lists of the  
 9 claim terms they proposed to be construed. The parties' lists collectively identify 129 terms to be  
 10 construed, although the parties have not yet begun meeting and conferring to reduce the number  
 11 of terms to be offered to the Court for construction.<sup>1</sup> No claim construction discovery or briefing  
 12 has taken place.

13 As such, this case is still very much in its early stages.

14 **B. The Reexamination Proceedings.**

15 **1. The '001 Patent.**

16 The '001 patent issued on February 15, 2005, and claims technology that was neither  
 17 novel nor inventive. The technology claimed in the '001 patent is present in many prior art  
 18 references that were not presented by NetApp to the PTO during the prosecution of the '001  
 19 patent. As such, on November 30, 2007 – less than three months after the filing of the complaint  
 20 – Sun requested the PTO conduct an *inter partes* reexamination of all claims of the '001 patent.  
 21 (Declaration of Christine K. Corbett In Supp. of Mot. to Stay (“Corbett Decl.”), ¶ 2.)

22 Last week, on April 7, 2008, the PTO issued an order granting reexamination of all 63  
 23 claims of the '001 patent, finding that “[a] substantial new question of patentability (SNQ)  
 24 affecting claims 1-63” of the '001 patent exists. (Corbett Decl., ¶ 3, Ex. A.) The PTO based its  
 25 decision on its review of *ten* prior art references that were not before the Examiner during the  
 26 initial prosecution of the '001 patent and which are not cumulative of other art in the file. (*Id.*) In

27  
 28 <sup>1</sup> Of the 129 claim terms on the parties' initial lists, NetApp identified 77 terms that are on only its list,  
 Sun identified 25 terms that are on only its list, and 29 terms are on both parties' lists.

1 reaching his SNQ finding, the Examiner explained all the claims of the '001 patent share a  
 2 common theme: "the file systems share data, but changes to one of the active file systems are not  
 3 reflected in the other active file system." (*Id.* at p.6) The Examiner then noted that each of the  
 4 ten prior art references describes a "system including multiple active file systems that initially  
 5 share data and where changes made to one of the file systems are not reflected in the other file  
 6 system." (*Id.*) As such, the Examiner correctly concluded that "[a] reasonable examiner would  
 7 have found [the references] important in considering the patentability of these claims...[t]he  
 8 teachings of [the references] are not cumulative to any written discussion on the record of the  
 9 teachings of the prior art, were not previously considered nor addressed during a prior  
 10 examination...." (*Id.*)

11 As a result of the clear teachings of the prior art, it was not surprising that not only did the  
 12 PTO grant the reexamination, it also issued a first office action *rejecting all 63 claims of the '001*  
 13 *patent* as anticipated under 35 U.S.C. § 102. In other words, the PTO found *each* of the ten prior  
 14 art references expressly or inherently discloses each and every limitation of claims of the '001  
 15 patent. Given the strength of the cited prior art and the statistics (discussed below) demonstrating  
 16 that claims undergoing reexamination usually are either rejected or undergo substantial  
 17 narrowing, it is highly likely that all claims of the '001 patent will be invalidated or substantially  
 18 narrowed during the reexamination proceeding.

19 **2. The '211 Patent.**

20 The '211 patent issued on May 10, 2005, and also covers technology that was neither  
 21 novel nor inventive. The technology claimed in the '211 patent is present in several important  
 22 prior art references that were not considered or reviewed during the prosecution of the '211  
 23 patent. As such, on December 14, 2007 – a little over three months after the filing of the  
 24 complaint – Sun requested the PTO grant reexamination as to all claims of the '211 patent.  
 25 (Corbett Decl., ¶ 4.)

26 Two weeks ago, on April 2, 2008, the PTO issued an order granting reexamination as to  
 27 all twenty-four claims of the '211 patent based on thirteen prior art references, finding a  
 28 "substantial new question of patentability." (Corbett Decl., ¶ 5, Ex. B.) Specifically, the PTO  
 -5-

1 found that given the teachings of each of the prior art references, a “substantial likelihood that a  
 2 reasonable examiner would consider” these references important in deciding the patentability of  
 3 the claims of the ’211 patent existed. (*Id.*) It is highly probable that all claims of the ’211 patent  
 4 will be invalidated or substantially narrowed during the reexamination proceeding.

5 **3. The ’292 Patent.**

6 The ’292 patent issued on October 6, 1998, and, like the ’001 and ’211 patents, did not  
 7 claim an invention that was useful, novel or nonobvious. On October 25, 2007 – less than two  
 8 months after the filing of the complaint – Sun requested that the PTO conduct a reexamination of  
 9 the ’292 patent. (Corbett Decl., ¶ 6.)

10 On March 18, 2008, the PTO issued an order granting reexamination of the ’292 patent,  
 11 finding that “[a] substantial new question of patentability (SNQ) affecting [independent] claims 1  
 12 and 4” of the ’292 patent exists. (Corbett Decl., ¶ 7, Ex. C.) The PTO based its decision on a  
 13 review of six prior art references that are not present in the ’292 patent file history and which are  
 14 not cumulative of other art in the file. (*Id.*) The PTO found that each of the six prior art  
 15 references raises a “substantial new question of patentability” as to certain claims that have not  
 16 been decided in any previous examination of the ’292 patent. (*Id.*) The PTO also determined that  
 17 “a reasonable examiner would consider the teachings important in deciding whether or not”  
 18 claims 1 and 4 are patentable. (*Id.*)

19 During the litigation, Sun’s counsel became aware of additional important prior art that  
 20 was not disclosed to the PTO during prosecution of the ’292 patent. Accordingly, on April 4,  
 21 2008, Sun submitted a second request for reexamination as to claims 4, 8, 11-15 and 20 of the  
 22 ’292 patent based on eleven prior art references. (Corbett Decl., ¶ 8.) Based upon the strength of  
 23 the prior art references, Sun anticipates the PTO will grant its second request for reexamination,  
 24 which would mean all of the asserted claims of the ’292 patent would be in reexamination.

25 **III. ARGUMENT**

26 **A. There Is A Liberal Policy Favoring Granting Stays Pending Reexamination.**

27 A district court has the inherent power to stay litigation pending resolution of  
 28 reexamination proceedings before the PTO. *See Landis v. N. Am. Co.*, 299 U.S. 248, 254 (1936);

1       *Ethicon, Inc. v. Quigg*, 849 F.2d 1422, 1426-27 (Fed. Cir. 1988); *Gould v. Control Laser Corp.*,  
 2       705 F.2d 1340, 1342 (Fed. Cir. 1983).

3           Indeed, “there is a liberal policy in favor of granting motions to stay proceedings pending  
 4       the outcome of USPTO reexamination … proceedings,” and such motions frequently are granted  
 5       in this district. *ASCII Corp. v. STD Entm’t USA, Inc.*, 844 F.Supp. 1378, 1381 (N.D. Cal. 1994)  
 6       (stay granted); *see also Sorensen v. Digital Networks N. Am., Inc.*, 2008 WL 152179 (N.D. Cal.  
 7       2008) (stay granted); *Procter & Gamble Co. v. Kraft Foods Global, Inc.*, Case No. C-07-4413  
 8       (PJH) (N.D. Cal. 2007) (stay granted); *Ho Keung Tse v. Apple Inc.*, 2007 WL 2904279 (N.D. Cal.  
 9       2007) (stay granted); *Nanometrics, Inc. v. Nova Measuring Instruments, Ltd.*, 2007 WL 627920  
 10       (N.D. Cal. 2007) (stay granted); *KLA-Tencor Corp. v. Nanometrics, Inc.*, 2006 WL 708661 (N.D.  
 11       Cal. 2006) (stay granted).

12       **B.       The Court Should Exercise Its Discretion To Stay This Litigation As To The  
 13       Reexam Patents.**

14           In determining whether to grant a stay pending reexamination, courts consider:  
 15       (1) whether discovery is complete and whether a trial date has been set; (2) whether a stay will  
 16       simplify the issues in question and trial of the case; and (3) whether a stay would unduly  
 17       prejudice or present a clear tactical disadvantage to the non-moving party. *See, e.g., Ho Keung  
 18       Tse*, 2007 WL 2904279 at \*2; *KLA-Tencor Corp.*, 2006 WL 708661, at \*2-5. “A stay is  
 19       particularly justified where the outcome of the reexamination would be likely to assist the court in  
 20       determining patent validity and, if the claims were cancelled in the reexamination, would  
 21       eliminate the need to try the infringement issue.” *In re Cygnus Telecomms. Tech., LLC, Patent  
 22       Litig.*, 385 F. Supp. 2d 1022, 1023 (N.D. Cal. 2005). Here, the factors support granting a stay.

23       **1.       Discovery Is Still At An Early Stage And No Trial Date Is Set.**

24           The early stage of this litigation weighs in favor of granting a stay as to the Reexam  
 25       Patents. Indeed, this case is less than eight months old and no trial date has been set. The  
 26       *Markman* hearing is not scheduled to take place for another four months. Fact discovery does not  
 27       close until October, 2008.

28           Additionally, discovery, thus far, has been limited. No depositions have yet been

1 scheduled or taken. No documents (other than those required to be produced in conjunction with  
 2 local patent rule disclosures) have been produced. Claim construction briefing has not  
 3 commenced. No dispositive motions have been filed. No expert witnesses have been disclosed  
 4 by NetApp. *See ASCII Corp.*, 844 F.Supp. at 1381 (granting stay where parties had undertaken  
 5 little or no discovery and the case had not yet been set for trial); *Nanometrics, Inc.*, 2007 WL  
 6 627920, at \*2 (granting motion to stay where the defendant filed a request for stay nine months  
 7 after the patent infringement claim was brought against it; case was in the early stages – parties  
 8 exchanged initial disclosures, case management conference was held; discovery commenced; no  
 9 briefing on claim construction; no dispositive motions); *Zilog, Inc. v. Quicklogic Corp.*, 2004 WL  
 10 2452850, at \*3-4 (N.D. Cal. 2004) (granting motion to stay where request to stay was filed only  
 11 six months after filing of complaint).

12 While the parties have exchanged their respective preliminary infringement and invalidity  
 13 contentions pursuant to the Patent Local Rules, such an exchange does not warrant continuing the  
 14 expense of litigating the Reexam Patents during the reexamination proceeding. *See Ho Keung*  
 15 *Tse*, 2007 WL 2904279, at \*2 (stay granted even though preliminary infringement contentions  
 16 were served).

17 As such, this is clearly not a case where a stay is sought on the eve of trial as a delaying  
 18 tactic. Rather, this is a case where Sun promptly sought reexamination and where Sun promptly  
 19 sought a stay after the PTO granted reexamination.

20       2.       **Granting A Stay Will Simplify The Issues In Question And The Trial**  
 21       **Of The Case.**

22       A stay concerning the Reexam Patents certainly will simplify the issues and streamline the  
 23 trial, thereby reducing the burden on, and preserving the resources of, both the Court and the  
 24 parties. It is highly probable that all of the asserted claims of the Reexam Patents will be rejected  
 25 or, at a minimum, be significantly narrowed, during reexamination. This conclusion is not just  
 26 based upon the PTO's actions and statements to date and the number and strength of the cited  
 27 prior art references. Rather, this conclusion also is supported by statistics showing that when the  
 28 PTO decides a patent should undergo reexamination, it is highly probable the patent either will be

1 invalidated or undergo substantial narrowing of the claims. Specifically, statistics demonstrate  
 2 that the PTO cancels *all* claims in approximately 82% of *inter partes* reexaminations and in  
 3 approximately 12% of *ex parte* reexaminations. (Corbett Decl., ¶¶ 9-10, Exs. D-E.) Statistics also  
 4 demonstrate that claims are significantly modified in approximately 9% of *inter partes*  
 5 reexaminations and in approximately 59% of *ex parte* reexaminations. (*Id.*) In other words,  
 6 claims are affected by a reexamination **ninety-one percent (91%)** of the time for *inter partes*  
 7 reexaminations and **seventy-one percent (71%)** of the time for *ex parte* reexaminations.  
 8 Accordingly, there is a substantial probability reexamination will have a major impact on the  
 9 issues to be resolved in this litigation.

10 Specifically, issues relating to claim construction, validity, infringement, unenforceability  
 11 and damages may be significantly narrowed or eliminated by the PTO's reexamination because  
 12 some or all of the claims may be cancelled or amended. A stay with respect to the Reexam  
 13 Patents in this patent-crowded case will promote judicial economy because the Court can avoid a  
 14 *Markman* hearing and trial, and attendant discovery issues, relating to patent claims that likely  
 15 will be canceled during the PTO's reexamination. *See Gould*, 705 F.2d at 1342 (claims that are  
 16 eliminated during reexamination are treated as if they never issued and cannot be asserted in  
 17 litigation).

18 Even if some of the claims somehow survive reexamination, statements made by NetApp  
 19 and the Examiner during the reexamination proceeding will be highly relevant to the proper  
 20 construction of any surviving claims. *See C.R. Bard, Inc. v. U.S. Surgical Corp.*, 388 F.3d 858,  
 21 867-69 (Fed. Cir. 2004) (citing statements made by patentee during reexamination to support the  
 22 district court's claim construction and judgment of non-infringement). Additionally, the PTO's  
 23 decisions and analysis of the prior art during reexamination will help narrow the validity issues in  
 24 this case and provide the Court with the PTO's understanding of the prior art. *See Direct Imaging*  
 25 *Sys., Inc. v. U.S. Graphic Arts, Inc.*, 2007 WL 778633, at \*3 (M.D. Fla. 2007) ("A stay will allow  
 26 both the parties and the Court to take advantage of the PTO's expert analysis of the [patent-at-  
 27  
 28

1 issue] and may limit or narrow the remaining issues to be litigated.”).<sup>2</sup>

2 A stay also will simplify the damages issues in this case because NetApp cannot seek past  
 3 damages for claims cancelled or amended during reexamination. *See Bloom Eng’g Co. v. N. Am.*  
 4 *Mfg. Co.*, 129 F.3d 1247, 1250 (Fed. Cir. 1997). In fact, claims that are substantively amended  
 5 during reexamination are treated as if they issued at the end of the reexamination, such that  
 6 damages for infringement of those claims begin to accrue only after issuance of the reexamination  
 7 certificate. *See id.*

8 Accordingly, absent a stay, this Court likely will spend time and resources construing and  
 9 trying patent claims that may be eliminated or amended during reexamination. *See Target*  
 10 *Therapeutics, Inc. v. SciMed Life Sys, Inc.*, 33 U.S.P.Q.2d 2022, 2023 (N.D. Cal. 1995) (without a  
 11 stay, a court may waste time examining validity of claims modified or eliminated in  
 12 reexamination); *Ho Keung Tse*, 2007 WL 2904279 at \*4. The broad range of issues that will be  
 13 affected and simplified as a result of the reexamination strongly support a stay.

14 **3. A Stay Will Not Unduly Prejudice NetApp Or Present A Clear**  
 15 **Tactical Disadvantage To NetApp.**

16 NetApp will not be prejudiced by a partial stay pending the PTO’s reexamination of the  
 17 Reexam Patents. In fact, “[t]he delay inherent to the reexamination process does not constitute,  
 18 by itself, undue prejudice.” *Photoflex Prods., Inc. v. Circa 3 LLC*, 2006 WL 1440363, at \*2 (N.D.  
 19 Cal. 2006).

20 Indeed, NetApp will be compensated monetarily for any delay resulting from the  
 21 reexamination proceedings. For example, to the extent any claims of the Reexam Patents survive  
 22 reexamination unchanged, and are found to be infringed, any royalty damages would continue to  
 23 accrue during a stay. *Nanometrics, Inc.*, 2007 WL 627920 at \*3. As a result, money damages are  
 24 sufficient to compensate NetApp for any alleged infringement during the stay, and NetApp will

25  
 26 <sup>2</sup> Importantly, because Sun requested an *inter partes* reexamination of the ’001 and ’211 patents, Sun  
 27 will be precluded in the district court from relying on any references considered by the PTO during  
 28 reexamination. Thus, if any claims of the ’001 or ’211 patents survive reexamination, Sun’s inability  
 to rely on the cited prior art references will greatly simplify the validity issues to be addressed during  
 the district court action. (Because the ’292 reexamination is an *ex parte* proceeding, this rule does not  
 apply to the ’292 patent.)

1 not be prejudiced if the Court stays this action pending reexamination.

2       A stay in this case also presents no “clear tactical disadvantage” to NetApp because the  
 3 dispositive issue of invalidity will not be finally decided until the PTO completes its  
 4 reexamination proceedings – *whether or not a stay is granted here*. *See In re Translogic Tech.*  
 5 *Inc.*, 504 F.3d 1249, 1262 (Fed. Cir. 2007) (affirming a PTO reexamination judgment of  
 6 invalidity in a manner that superseded a prior district court judgment affirming validity). Thus,  
 7 without a stay, the parties in this case may be forced to spend thousands of hours and hundreds of  
 8 thousands (if not millions) of dollars in court proceedings that cannot and will not finally resolve  
 9 the dispositive question of the invalidity of the Reexam Patents.

10       Finally, this is not a case where reexamination is sought on the eve of trial or after  
 11 protracted discovery. As discussed above, no trial date has been set and little substantive  
 12 discovery has taken place. Additionally, Sun promptly sought reexamination of the Reexam  
 13 Patents shortly after NetApp filed its complaint. Sun also promptly filed its motion to stay after  
 14 receiving the three orders granting reexamination of the Reexam Patents. *See Ho Keung Tse*,  
 15 2007 WL 2904279, at \*4 (finding that filing a request for reexamination three months after  
 16 service of preliminary invalidity contentions was not evidence of any delay).

17       Accordingly, because there is no prejudice to NetApp and there is no clear tactical  
 18 disadvantage to NetApp, Sun submits that the final factor also supports a stay as to the Reexam  
 19 Patents.

20 **IV. CONCLUSION**

21       Staying this case pending reexamination of the Reexam Patents will promote judicial  
 22 economy, simplify the issues in this case and will not unduly prejudice NetApp. Indeed, a stay of  
 23 the litigation at this early stage of the litigation will permit the Court and the parties to benefit  
 24 from the PTO’s initial guidance on the invalidity issue. Because the PTO will have the final word  
 25 on invalidity, a stay will not unjustly delay final resolution of NetApp’s claims. To the contrary,  
 26 a stay will avoid costly and unnecessary legal proceedings that would otherwise burden the Court  
 27 and the parties, contrary to the very reason Congress chose to provide reexaminations in the first  
 28 place. Accordingly, Sun respectfully requests the Court grant a stay regarding the Reexam

1 Patents, as to each patent, until the PTO either issues its final office action or issues a  
2 reexamination certificate. At that time, the Court and the parties can determine whether a further  
3 stay is warranted.

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5 Dated: April 15, 2008

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7 DLA PIPER US LLP

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